

Health Care Marketplace

Peggy B. Handrich
Administrator

Division of Health Care Financing
Department of Health and Family
Services

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Overview of Current Landscape

- ◆ Promoting good health - the value of health insurance
- ◆ Health care costs
- ◆ Private and public coverage
- ◆ Publicly-funded programs in Wisconsin
- ◆ Key challenges



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Promoting Good Health: The Value of Health Insurance

◆ Utilization of health care services

✓ Saw a medical doctor in past year

- Insured all year = 85%
- Uninsured all year = 58%

◆ Health Status

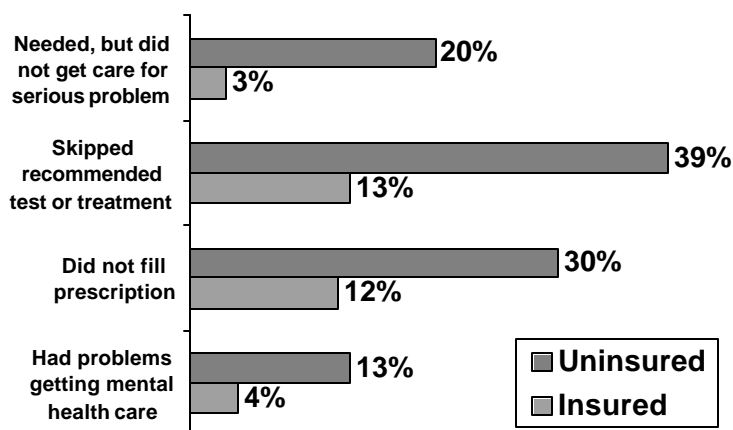
- Perceived as Fair/Poor
- Insured all year = 9%
- Uninsured all year = 14%



Source: 1999 Wisconsin Family Health Survey

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Percent of Nonelderly Adults with Barriers to Care, by Insurance Status, 2000



SOURCE: Kaiser Family Foundation: NewsHour with Jim Lehrer/Kaiser Family Foundation National Survey on the Uninsured 2000.



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Health Care Costs

- ◆ National health expenditures
 - ✓ As % of gross domestic product
 - 8.8% in 1980
 - 13% in 1999 (= \$1.2 trillion)
 - Projected to be 15% by 2010
 - ✓ On a per capita basis
 - \$1,067 in 1980
 - \$4,358 in 1999
 - Projected to be \$8,708 by 2010

Source: CMS, Office of Actuary, Office of National Health Statistics



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Private Sector

- ◆ Health plans and providers demanding significant premium and rate increases
- ◆ Employer-sponsored health plan costs increased by 8% in 2000 and 11% in 2001*
- ◆ HMO enrollment fell 6% in 2001 to its lowest level since 1993*

*Source: Kaiser/HRET Survey of Employer-Sponsored Health Benefits



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Public Sector

- ◆ Congressional Budget Office predicts Medicaid will grow at average annual rate of 8.6% through 2011
- ◆ For states, Medicaid costs expected to grow by 8-12% in 2001...while tax revenues projected to increase 3-4%
 - ✓ Pharmacy
 - ✓ Increased enrollment
 - ✓ Population more high-risk, high-cost
 - ✓ Long-term care



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Health Insurance Coverage in the United States

- ◆ Total Non-Elderly
 - ✓ Private/Employer-Based 71%
 - ✓ Medicaid 11%
 - ✓ Uninsured 18%
- ◆ Low-Income (<200% FPL) Non-Elderly
 - ✓ Private/Employer-Based 38%
 - ✓ Medicaid 29%
 - ✓ Uninsured 33%

Source: Urban Institute estimates on pooled 1997-99 Current Population Survey Data prepared for Kaiser Commission on Medicaid and the Uninsured



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Health Insurance Coverage in Wisconsin

- ◆ Total Non-Elderly
 - ✓ Private/Employer-Based 81%
 - ✓ Medicaid 8%
 - ✓ Uninsured 11%
- ◆ Low-Income (<200% FPL) Non-Elderly
 - ✓ Private/Employer-Based 48%
 - ✓ Medicaid 30%
 - ✓ Uninsured 22%

Source: Urban Institute estimates on pooled 1997-99 Current Population Survey
Data prepared for Kaiser Commission on Medicaid and the Uninsured



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Enrollment in Publicly-Funded Health Care Programs in Wisconsin

Program	Total	As % WI Population
MEDICAID - ALL	529,114	10.3%
Family Medicaid	347,320	6.7%
Elderly & Disabled	157,142	3.0%
Including Family Care	3,547	0.1%
...and MAPP	1,394	0.0%
Other	24,652	0.5%
HIRSP	11,500	0.2%
GA Medical	23,400	0.5%
ChrDisease/WisconCare	6,500	0.1%
TOTAL	570,514	11.1%
SeniorCare (Projected)	160,000	3.1%



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Wisconsin Medicaid Enrollment

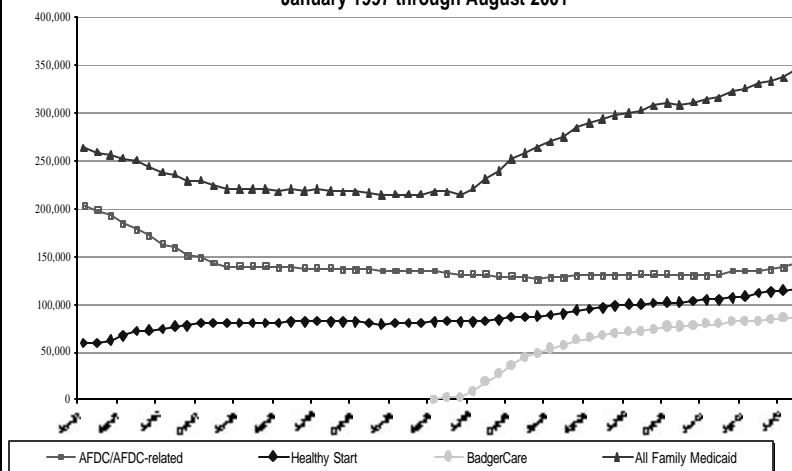
- ◆ Medicaid Caseload is highest ever
 - ✓ 529,114 in August, 2001
 - Family Medicaid = 347,320
 - ◆ BadgerCare = 87,372
 - ◆ AFDC-Related/Healthy Start/PE = 259,948
 - Elderly & Disabled = 157,142
 - Other (Foster Care, Subsidized Adoption) = 24,652



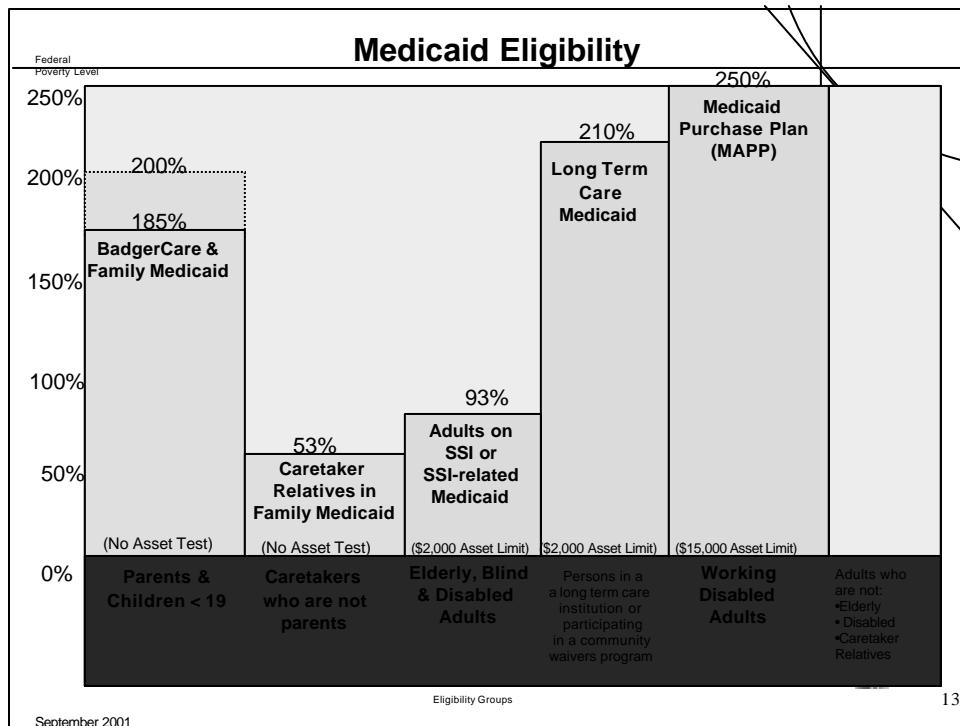
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Family Medicaid & BadgerCare Enrollment

January 1997 through August 2001



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Public Program Coverage Gaps

- ◆ Children
 - ✓ Over 185% (or 200% once on BC) FPL
- ◆ Adults who are caretaker relatives
 - ✓ Over 53% FPL
- ◆ Elderly, non-disabled adults on Medicare
 - ✓ Over 93% FPL
- ◆ Adults who are not elderly or disabled and not a caretaker relative
 - ✓ All income levels



State Planning Grant

- ◆ Helps fill need for more information on health insurance coverage issues
 - ✓ Richer data on who is covered and source of coverage
 - Family Health Survey
 - Medical Expenditure Panel Survey
 - ✓ Perspective of small employers and low-wage employees
 - ✓ Insured & uninsured people (focus groups and surveys)



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Key Challenges.....

- ◆ State of the State is good, with one of the highest rates of insured citizens in the nation
- ◆ But, Wisconsin's future vitality depends upon a healthy workforce
- ◆ The challenges to improving the health status of the population require coordinated and sustained public and private partnerships



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Challenges ..continued

◆ Key Partners

- ❖ Include the business community, all purchasers of health care services, universities, health care providers, health plans, schools, consumers and government

◆ Strategies

- ❖ Improve access to care
- ❖ Support effective health promotion programs
- ❖ Promote the value of health insurance
- ❖ Invest limited tax dollars wisely
- ❖ Purchase for results
- ❖ Take personal responsibility for health



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Healthy Wisconsin

◆ The benefits for our state include:

- ❖ Improved quality of life
- ❖ Improved productivity
- ❖ Reduced demand for publicly funded services
- ❖ A vibrant economy



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